ORIGINAL



Commissioner

Direct Line: (602) 542-3935 E-mail: dunn-web@azcc.gov

COMMISSIONERS OM FORESE - Chairman **BOB BURNS** ANDY TOBIN **BOYD DUNN** JUSTIN OLSON



ARIZONA CORPORATION COMMISSION

October 3, 2018

Docket Control Arizona Corporation Commission 1200 W Washington St. Phoenix, AZ 85007

In the matter of the formal complaint against Arizona Public Service Company filed by Stacey Champion and other Arizona Public Service Company customers (E-01345A-18-0002)

Commissioners and Interested Parties,

I have listened to public comment, opening statements, and witness testimony in this case. I have also reviewed the docketed consumer comments. Many stakeholders admonished APS for failing to provide adequate service, communication, and education to customers following its rate increase. While the central issues must be dealt in the recommended opinion and order, I see no reason why the important issue of customer education cannot be looked at immediately. Customers cannot take charge of their energy consumption or control their costs if they don't have the necessary information from APS. If the stakeholders are correct, APS's failure to effectively communicate and educate customers presents a serious problem that the Commission should correct as soon as possible.

APS knew customer outreach was critical because the changes to the rate plans and time-of-use were complex. In its opening statement, the Company admits setting rates "is a process not well understood by many and certainly not well understood by some of our residential customers." APS went a step further stating that "even if some of our customers don't understand what a bill impact meant in this case, or what occurred in the rate case with adjustor transfers, that is not evidence that the rates approved by this Commission were not reasonable." Id. This suggests that adequately informing its

APS Opening Statement, In the matter of the formal complaint against Arizona Public Service Company filed by Stacey Champion and other Arizona Public Service Company customers (E-01345A-18-0002) Hr'g Trans. __: __, at approximately 1hr. 39min (Sept. 25, 2018). DOCKETED

COMMISSIONERS
TOM FORESE - Chairman
BOB BURNS
ANDY TOBIN
BOYD DUNN
JUSTIN OLSON



Boyd Dunn Commissioner

Direct Line: (602) 542-3935 E-mail: dunn-web@azcc.gov

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customers was not a priority. In my opinion, this conclusion doesn't align with the Commission's intent.

I noted in August 2017 that APS needed to make certain that changes wouldn't be a surprise to customers. I stressed the importance of adequate notice so customers who may not watch the news or even know a rate case is pending, don't suddenly find themselves on a new plan with a new time-of-use. The Commission adopted my amendment requiring APS to implement a Customer Education and Outreach Program. The amendment required APS to provide adequate notice to existing customers of their rate options and bill impacts so each customer could make an informed decision. The Commission further ordered APS to set aside \$5,000,000 to use in these customer education efforts.

I am concerned that APS did not adequately implement the approved Outreach Program per the Commission's order. It was my expectation that all customer communications would be straightforward and present the information in a way that was not misleading and motivated people to act prior to the deadline. If the Company has failed to meet this expectation, I believe the Commission needs to correct the problem.

I would like some additional information from the utility to assist me in evaluating whether the customer outreach was adequate. I request that APS explain when and how customers were transitioned to new rate plans. I also request that APS address in the docket how it spent the \$5,000,000. Finally, I request that APS provide a detailed account of its customer communication and education efforts regarding the new rate plans and time-of-use changes from August 2017 to date.

Sincerely,

Commissioner Boyd Dunn

On this 3rd day of October, 2018, the foregoing document was filed with Docket Control as a Correspondence From Commissioner, and copies of the foregoing were mailed on behalf of Boyd Dunn, Commissioner - A.C.C. to the following who have not consented to email service. On this date or as soon as possible thereafter, the Commission's eDocket program will automatically email a link to the foregoing to the following who have consented to email service.

Arizona Public Service Company E-01345A-18-0002

Adam L. Stafford WONG AND CARTER, P.C. 3003 N. Central Avenue, Suite 1000 Phoenix AZ 85012 sc@champion-pr.com

KathyMooreRealtor@cox.net

joephxaz@hotmail.com

k.sturgis@cox.net

volcanic@cox.net

rppdiehl@gmail.com

joebrk@gmail.com

oakchart@cox.net

diakun_consulting@yahoo.com

hargis_m@hotmail.com

mlicosati@me.com

d.ziegler@hotmail.com

rllavallee@hotmail.com

16024325526@mymetropcs.com

laureyn0550@aol.com

jacobwozniak@yahoo.com

pkocanjer@yahoo.com

timsmith545@gmail.com

almamalexander@gmail.com

andreajhe@yahoo.com

waegener@cox.net

betsy120867@yahoo.com

tmespo0712@gmail.com

leannevc2000@yahoo.com

mikej.schneider85@gmail.com

sylviarainey@cox.net

markdcoco@hotmail.com

Andy Kvesic
ARIZONA CORPORATION COMMISSION
Director- Legal Division
1200 West Washington
Phoenix AZ 85007
utildivservicebyemail@azcc.gov

LegalDiv@azcc.gov

Consented to Service by Email

Thomas A Loquvam
PINNACLE WEST CAPITOL CORPORATION
400 N. 5Th St, MS 8695
Phoenix, AZ 85004
Debra.Orr@aps.com

Kerri.Carnes@aps.com

Thomas.Loquvam@pinnaclewest.com

Melissa.Krueger@pinnaclewest.com

Consented to Service by Email

editornado@gmail.com italianpunker@gmail.com turvater@gmail.com nats55@ymail.com charmadillo@gmail.com azhistoryman@yahoo.com jpargas@PhoenixUnion.org billboatman38@gmail.com bookdfrag@gmail.com hsdeogun@gmail.com greenwold@q.com yealife@gmail.com james.hanson1@icloud.com lil_kim_011@yahoo.com farlie7706@aol.com bjwazii@aol.com rickschartman@yahoo.com claudia.solano07@gmail.com mandyhenning32@yahoo.com heckmansheldon@gmail.com sbrekke825@gmail.com rtbellinger5@msn.com deyoung0415@gmail.com Ismata89@gmail.com MattyHui@hotmail.com santhen@cox.net bret.wall@gmail.com pnrichards@cox.net letshavefunshopping@live.com bettiegibson@gmail.com tonysteech@gmail.com raquelebriggs@gmail.com nassar4@msn.com ewkitts@gmail.com rebeccarobertsaz@gmail.com cdsmith46@hotmail.com didevlin13@gmail.com neidich99@yahoo.com dhartson2070@gmail.com christin.m.schmitt@gmail.com

awagen@cox.net

mkhutchings9@gmail.com jcpenney009@gmail.com patbas7@aol.com yyare@q.com shelly.daniels@nielsen.com dwjiles@real-time-consulting.com akelley38@hotmail.com tracy.1977@hotmail.com 32651.pl@gmail.com RFKinaz@cox.net cynthiabuser@cox.net snirdror@yhaoo.com Nstephenson@mbakeintl.com briese@gmail.com leroyandamy@hotmail.com karina7c@gmail.com jamesbldwn@yahoo.com randi.wunch@gmail.com

Consented to Service by Email

Richard Gayer 526 W. Wilshire Dr. Phoenix AZ 85003 rgayer@cox.net

Consented to Service by Email

Warren Woodward 200 Sierra Road Sedona AZ 86336 w6345789@yahoo.com

Consented to Service by Email

Patrick Maloney

Deputy Policy Advisor